



**Statement after the Governing Council of 23-24 July 2025**

*Statement by the Governor of the Banque de France, François Villeroy de Galhau.*

*“After eight rate cuts, we decided yesterday to keep our key interest rate at 2% at this stage. However, the (ECB) Governing Council considered that the risks to growth were still tilted to the downside, with uncertainty remaining very high. Inflation - and relatedly wages - remains well under control: it is at our 2% target in the euro area and stands lower at 0.9% in France. The increases in US tariffs, the extent of which is still uncertain, are not expected to cause inflation to rise, while the appreciation of the euro is having a significant disinflationary effect.*

*It is therefore important to remain completely open about future monetary policy decisions. More than ever, in a volatile environment, agile pragmatism in light of data and forecasts is of the essence. It is also vital that Europe finally steps up its economic and financial integration in the face of US protectionism.”*